

RFP MDA906-03-R-0005
TRICARE Claims Audit Review Services
Question Set II

Question 12: Reference Form 33 - The response due date for the RFP is October 14, 2003 which does not allow enough time to prepare a proposal after receiving responses from questions submitted to the Contracting Officer. Is it possible to have an extension of 30 days for the due date?

Response 12: The Government extended the due date to 17 November 2003 in Amendment #01.

Question 13: Reference C-3.2.1 - Contractors have the right to rebut audit findings. What has the historical rebuttal rate been for contractors, as a percent of the claims reviewed?

Response 13: Based upon the last four audits completed for each contract the percentage of rebuttals received as a percent of the total claims reviewed is approximately 7.2%. Using the same audit periods for those audits in which second rebuttals have been received, the percentage of second rebuttals (based upon the total number of claims reviewed for the same time period) is approximately 0.60%.

Question 14: Reference C-3.3.3.8 - It states that some claims will require a review of medical necessity and appropriateness of care by a nurse, physician's assistance or physician. What percentage of claims reviewed have required this type of intervention?

Response 14: A percentage of the claims requiring review by a nurse, physician's assistant or physician is not available. As indicated in Section C-3.3.3.8. this involvement is expected to be minimal and based upon current contractor information it is estimated that this type of consultation would be required no more than 5 times annually.

Question 15: Reference C-3.3.3.2.6. - According to the RFP it is required to have McKesson's TRICARE ClaimCheck. In discussions with the person responsible for the TRICARE account at McKesson, they stated that TMA in future contracts will no longer determine what edits the contractors will use and that future contractors will not be required to use ClaimCheck. Will it be necessary to use TRICARE ClaimCheck (TCC) after the new contracts (HSS and TDEFIC) are awarded?

Response 15: While the three new regional contracts and the TDEFIC contract will not be required to use McKesson's TRICARE Claimcheck, these contracts will be required to use a claims auditing software that is equivalent to Claimcheck©. The seven MCS regional contracts will require Claimcheck©.

Question 16: Reference RFP Section B 0004 and L-12.4.3.2.5 Security/DITSCAP. The Section L reference states; “Cost schedules and supporting data that explain how the price was developed for the DITSCAP CLIN(s) shall be provided in the RFP.” Where in the RFP can we find referenced schedules and data?

Response 16: This should read “Cost schedules and supporting data that explain how the price was developed for the DITSCAP CLIN(s) shall be provided in the proposal.” The word ‘proposal’ should be added and ‘RFP’ be eliminated. This change will be made in a future amendment.

Question 17: Reference RFP Section B, Item 0001. This line item states the May 1, 2004 to October 31, 2004 Quantity at 37000. We are unable to reconcile this volume based on the RFP requirements. Please provide the detail calculations, by contract, to arrive at the quantity for this six-month period. Also, please provide an explanation for the subsequent 30000 annual volumes for Option Periods 1 to 4.

Response 17: The first 6 months of the contract will be for DITSCAP certification. The second 6 month period will be when audits are performed. The estimated volume of claims to be audited for all regions and TDEFIC will be 22,000 for the 6 month period. The following options will have an estimated volume of claims to be audited of 29,200 audits per year, for all regions and TDEFIC . These quantities will appear in Amendment 2.

Question 18: Reference RFP Section M-7.2. This RFP citation states; “The total evaluated price will consist of the proposed fixed total price for the transition-in period, the proposed fixed unit price for the claims audit services applied to the respective quantity established by the Government in Section B for the base period and each option period, the firm fixed price for the DITSCAP CLIN for the base period and each of the option periods, and the highest proposed fixed total phase-out price.”

Considering this contract currently has an incumbent contractor, which will incur very little transition cost, whereas a new offeror will incur recruitment, hiring and training costs, and overall start-up cost with no ability to propose and be judged technically superior to offset any incumbent cost advantages, this solicitation becomes very uncompetitive.

Will the Government consider amending this solicitation to award the TRICARE Claims Audit Review services contract on the basis of “Best Value”? Or; Will the Government consider amending this solicitation to award the TRICARE Claim Audit Review Services contract based on lowest total cost, exclusive of transition-in cost?

Either of these revisions will encourage additional competitive consideration and promote a solicitation which is “unrestricted” as indicated in the solicitation announcement.

Response 18: Technically Acceptable/Low Price is within the continuum of Best Value. The Government considered various evaluation methods and determined that for this solicitation, the Government will not be evaluating enhancements or including them in the subsequent contract. As a result, this solicitation will be awarded on the basis of Technically Acceptable/Low Price. The Government will not amend the solicitation to exclude the transitions costs from the price evaluation as suggested.

Question 19: Reference RFP Section M-5 Evaluation Factors. This solicitation has two primary evaluation factors, Factor 1 Technical Merit, to be judged Technically Acceptable (Pass/Fail) and Factor 2 Price.

RFP Section L-12 Proposal Preparation requires the Offeror to submit 5 separate volumes,

1. Solicitation Documents
2. Technical
3. Price
4. Financial Information
5. Subcontracting Plan

Please explain the evaluation process and importance for RFP required volumes 1, 4, and 5.

If these required proposal volumes are to be evaluated in any manner, will the Government amend this solicitation to reflect the evaluation process and state the relative importance of each?

Response 19: Volume I consists of the SF33, Section G and Section K. The SF 33 is required for submission of the proposal. Section G will provide the information the Government needs if the offeror/awardee wants to be paid for your services, and Section K are the Representations and Certifications required with the submission of your proposal for determining contractor responsibility. Volume IV is your financial information that is required to make a determination of contractor responsibility. Volume V is the subcontracting plan that will be reviewed if the offeror is not classified as a small business. These Volumes contain information that would be necessary to execute a contract but are not part of the evaluation factors of Technical or Price.

Question 20: Reference RFP Section H-1 Key Personnel and Section L-11 Information RFP citation H-1 states; "The contractor shall maintain and provide to the TMA COR the resumes of key personnel to this contract." RFP citation L-11 states; "Key personnel must be identified in resume provided in accordance with Section H-1.2. RFP Section L-12.4.2.2.5 Executive Summary states; "The Executive Summary must include an organizational chart and a staffing/manning chart."

Please clarify where in the Offerors proposal Key Personnel should be placed. If the intent is to include Key Personnel resumes with the Executive Summary, please reconsider the 10-page limit.

Response 20: The Offeror shall provide its key personnel resumes in accordance with the format indicated in Section H-1.2. The resumes will be included on the Technical CD (Volume II). The resumes shall not be included as part of the 10 pages of Executive Summary. The Executive Summary will address the “organizational chart and a staffing/manning chart”. This chart can be one wire-diagram which includes such boxes as “CEO – John Doe”; “Auditing Dept Director – Jane Smith”. The resumes, which are separate from the Executive Summary, will provide the detail for each individual.

Question 21: Reference RFP Section M-5 Evaluation Factors. Please describe where in the evaluation process Key Personnel resumes are to be evaluated.

Response 21: Section M-6.3.5.2. states that the adequacy of the proposed staffing plan to ensure contractual requirements are met will be evaluated. This part of the evaluation will be performed under Subfactor 3 – Management.

Resumes are not an evaluation factor, however the organizational staffing plan will be evaluated. The Resumes are being submitted in order to declare which positions are considered key personnel and to fulfill the requirements of H-1.

Question 22: Reference RFP Section C-3.5 Task V – TMA Reviews. The referenced RFP Section C, Task V – TMA Reviews has not been detailed in RFP Section L or Section M. Section L and Section M Task V is labeled Transition. Please advise.

Response 22: The requirements in Section C-3.5 for TMA reviews are a contract requirement and appropriately referenced in Section C. This part of the requirement will not be evaluated for this procurement. The reference to Task V in Sections L and M reference sections in the proposal and do not refer back to the Tasks in Section C. The word “Task” under L-12.4.2.2.3 will be changed to Subfactor in Amendment 2 to avoid confusion.

Question 23: How many contractors do you anticipate awarding contracts to?

Response 23: One contract will be awarded. L-8 states “The Government contemplates award of a requirements contract resulting from this solicitation”. In a future amendment it will be changed to read “The Government contemplates award of a single requirements contract resulting from this solicitation”

Question 24: Is there a small business requirement or component to this project?

Response 24: Yes, See Section I-32 through I-34, K-3, K-9, L-12.2, L-12.4.5, and L-13.4

Question 25: We have a question related to potential conflict on the recently posted Claims Audit Review Services RFP. Can a prime or first tier sub that is awarded the TMA National Quality Monitoring Contract (NQMC) also serve as the contractor for Claims Audit Review Services?

Response 25: Yes

Question 26: On Form 33, Section 15A, what should the offer fill in for “Code” and “Facility”?

Response 26: In Block 15A are two blocks labeled “Code” and “Facility”. The “Code” is the Commercial and Government Entity (CAGE) Code. More information on Cage Codes can be found in the Department of Defense Federal Acquisition Regulations Supplement under DFARS 204.7202. “Facility” is the Facility Code where the work will be performed. If you do not have a CAGE Code, one can be requested for you.

Question 27: Can you explain why the contract base period begins on November 1, 2003 but the Claims Audit Review Services, on page 2 Section B, is defined as May 1, 2004 through October 31, 2004?

Response 27: The first 6 months of the contract will be a period where the awardee is becoming DITSCAP certified and claims are not audited during this time. Claims will be audited beginning the second 6 months of the base year.

Question 28: Is the “start work date” as identified in Section C-3.6.1.3. defined as the beginning of the base period (November 1, 2003) or the beginning of the Claims Audit Review Services (May 1, 2004)?

Response 28: The “start work date” for the benchmark requirements identified in Section C-3.6.1.3. is the date that actual audit services will begin.

Question 29: L-12.4.3.3 ”. ...offerors shall provide information other than cost or pricing data...”, what other information is required?

Response 29: ‘Other than cost or pricing data’ is any information that is needed to support the DITSCAP CLINs. This could be quotes, invoices, labor build-ups, indirect rates, etc. The ‘other than cost or pricing data’ should start with a schedule that identifies the cost build-up. Then supporting data should be included or attached. ‘Other than cost or pricing data’ does not require certification by a corporate officer.

Question 30: L-12.4.3.5, “Labor rates for SCA-covered employees shall not be escalated in developing proposed prices for the base or option years.” Please explain. Escalated from what base?

Response 30: Rates should be based on the wage determination (WD) in effect at time of proposal submission. If the offeror is paying wage rates higher than the WD then those rates should be proposed. As Dept of Labor sets new rates periodically, these take precedent and escalation for the covered employees is not allowed per the SCA clause FAR 52.222-43 para (b).

Question 31: The definition for HCSR Audit System (Section C., Attachment J-18, Definitions, page 1) includes “Additional automated functions of the system include: on line access to procedure and diagnosis codes, zip code tables, provider and pricing information and production of audit and rebuttal reports”. The definition of TED Audit Detail Report (same attachment, page 2) does not include these additional functions. Are these additional functions included in the TED Audit Detail Report? If not, how will the audit contractor be able to access this information?

Response 31: The HCSR Audit System has a menu selection to browse tables which is a “short-cut” to TMA pricing and zip code files. This information, along with provider information will be made available to the contractor as indicated in Section C-3.3.3.3. Reference materials indicated in Section C-3.3.3.1. should be used for the procedure and diagnosis information. The definition of the HCSR Audit System will be changed to reflect this information in a future amendment.

Question 32: Section L-12.4.2.2.2 states each section of the technical proposal shall be contained in a single, separate Word file. Based on the example for naming the corresponding file (e.g. cont.doc – Management), would section be defined as “Task”? Would the Executive Summary be a separate section?

Response 32: Each section should be identified in order for the Government to easily determine the corresponding section or task. Each section should be named by either the title (e.g. Executive Summary, Performance/Target Health Care Cost Audits, Rebuttals, Management, Quality Control, Transitions, etc.) and/or the Task number as stated in L-12.4.2.2.3. The Executive Summary should be a separate section.

Question 33: Will there be any overseas travel required under the contract?

Response 33: No.

Question 34: Is a contractor currently providing these services? If yes, please name the incumbent.

Response 34: Yes. Please see Question 9.